



**First Bankers  
Trustshares, Inc.**

Welcome to the  
First Bankers Trustshares, Inc.  
Annual Meeting

May 12, 2020

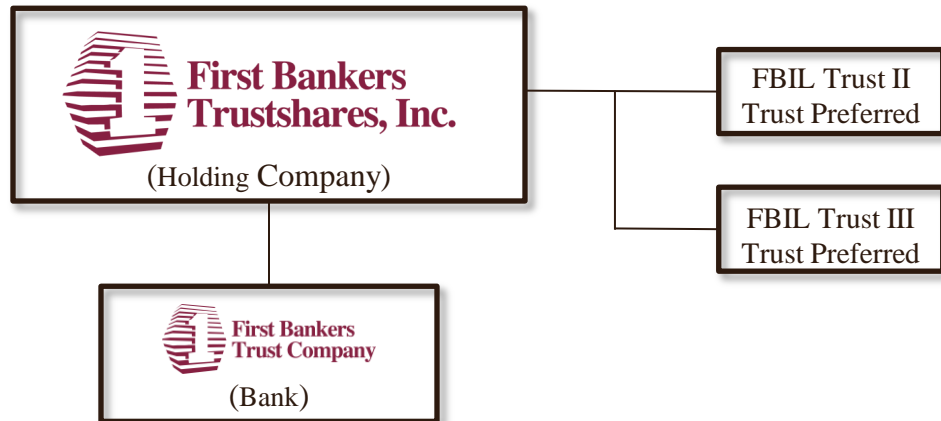
# CAUTIONARY NOTE

## REGARDING FORWARD-LOOKING STATEMENTS

- This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “project,” “forecast,” “goal,” “target,” “would” and “outlook,” or the negative variations of those words or other comparable words of a future or forward-looking nature. These forward-looking statements are not historical facts and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date when it is made and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New risks and uncertainties arise from time to time and it is not possible for us to predict those events or how they may affect us. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. All forward-looking statements, expressed or implied, included in this presentation are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

# About Us

- First Bankers Trustshares, Inc. (FBTI) is a bank holding company headquartered in Quincy, Illinois
- First Bankers Trust Company, N.A. is a community oriented financial institution operating 10 banking facilities in West Central Illinois



# Strong & Improving Fundamentals

- Fourth highest net income in Company's history
- A record Total Risk Based Capital Ratio of 17.93%
- Loan growth of 4%, year over year
- Problem assets decreased by 48%, year over year



# Key Strategic Changes

- Completed core system migration and conversion of debit card platform
- Reinvesting saving for digital transformation
- Successfully spun off First Bankers Trust Services, Inc
  - Enable both operating companies to pursue their strategic objectives
  - Simplified FBTT's risk profile



# Opportunities

- Launched a new division focused on the financing of recreation properties named Buck Land Funding



**BUCK LAND FUNDING**

A Division of First Bankers Trust Company, N. A.

- Leverage experience/learnings from response to the pandemic
  - Successfully implemented expanded work from home capabilities
  - Implemented new technological capabilities
  - Greater adaptability, resiliency and problem solving skills
  - Better prepared for potential expansion or acquisitions
- Acquisition discussions continue



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# Headwinds

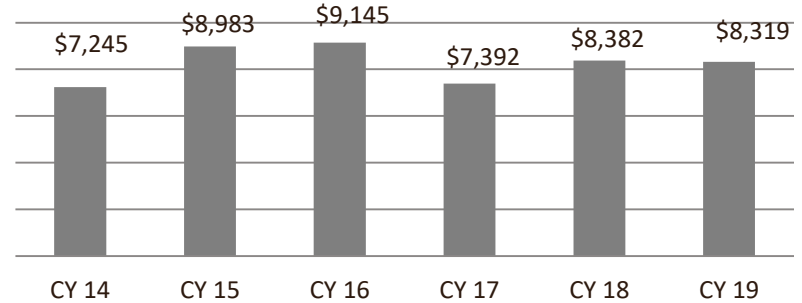
- The global economic slow down will impact our loan customers
- Multiple years of low farm commodity prices
- Record low interest rates and net interest margin compression



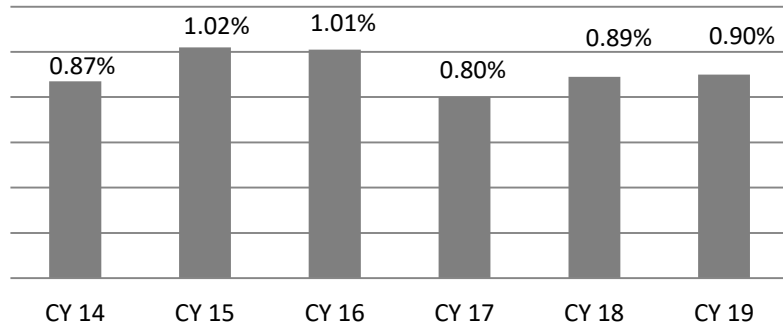
# 2019 Financials

- Fourth best net income of \$8.3 million
- Competitive ROA of 0.90% and ROE of 8.99%

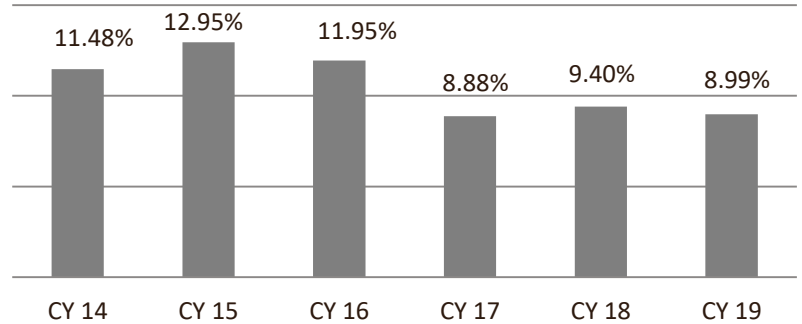
## Net Income (in thousands)



## Year End Return on Assets (ROA)



## Year End Return on Equity (ROE)

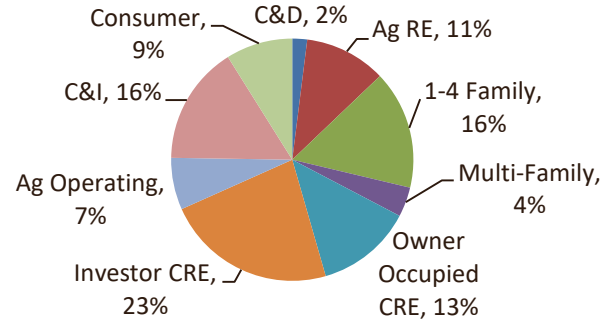




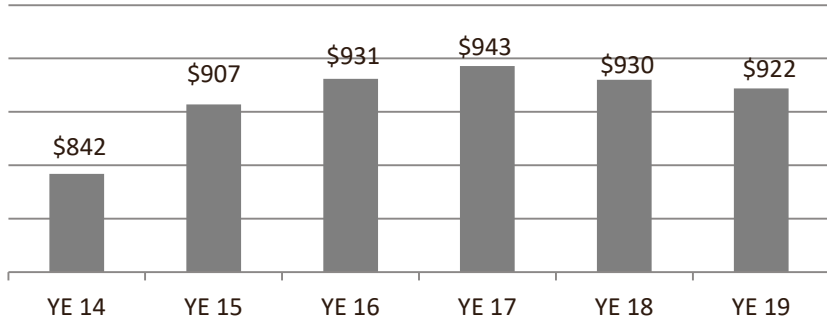
# 2019 Financials – Balance Sheet

- Strong Stockholders' Equity
- Well diversified loan portfolio

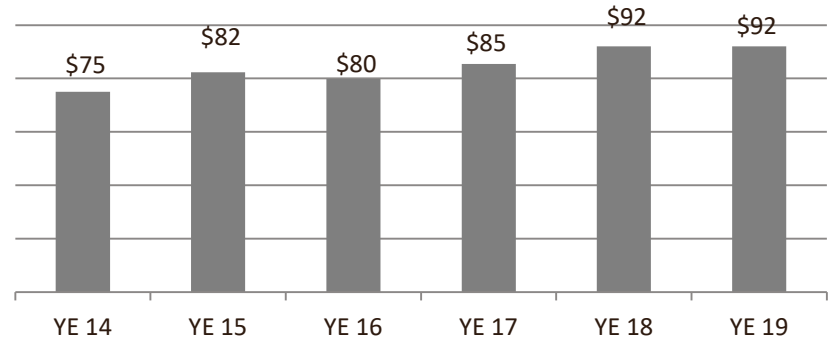
## 2019 Loans By Type



## Total Assets (in millions)



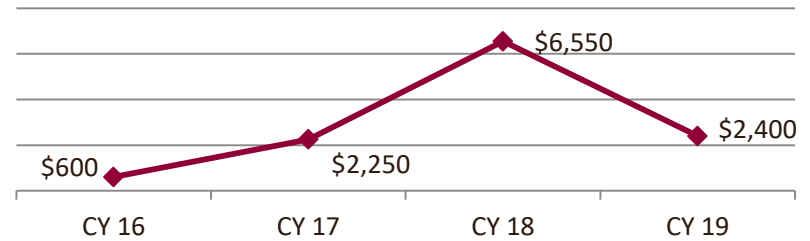
## Stockholders Equity (in millions)



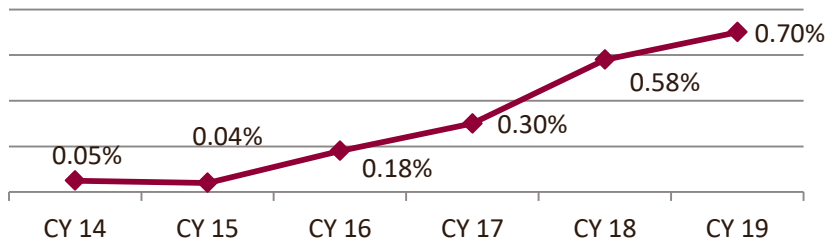
# 2019 Financials – Asset Quality

- Improving credit quality
- Reduction in provision
- Improved credit processes

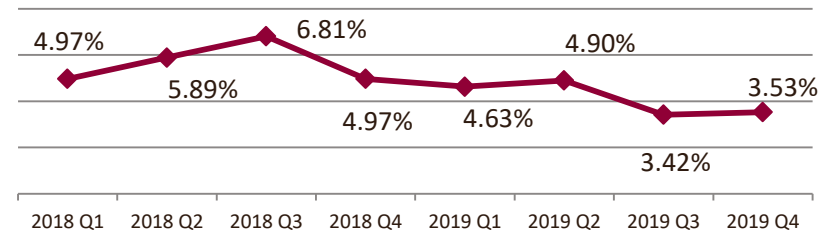
## Provision for Loan Loss (in thousands)



## Net Charge offs / Avg. Total Loans



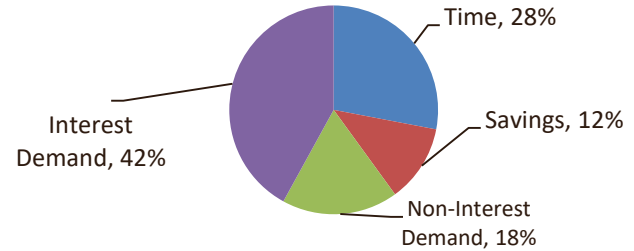
## Classified Loans and OREO to Total Loans



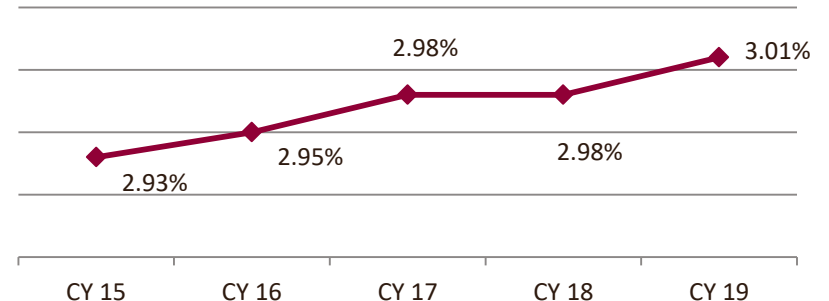
# 2019 Financials - Liabilities

- Well diversified deposit base
- Limited Federal Home Loan Bank advances
- Significant Public Funds
- Improving Net Interest Margin

## 2019 Deposit Mix



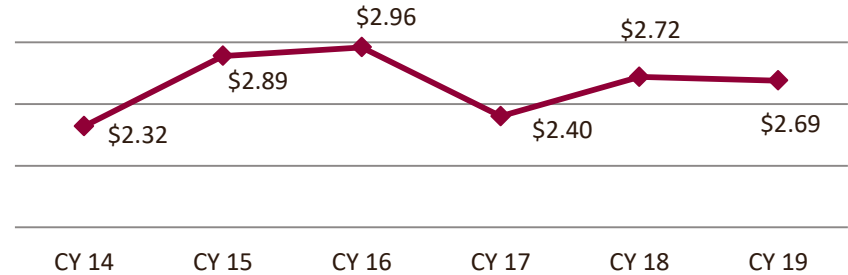
## Net Interest Margin



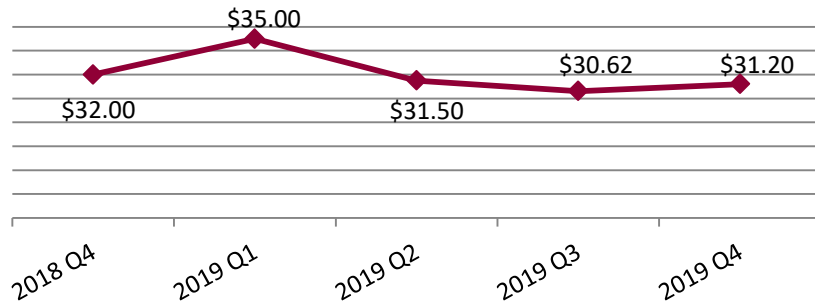
# 2019 Financial Highlights

- Earnings Per Share of \$2.69 which includes just 6 months of Trust Services earnings
- Stock price relatively stable after Trust Services spin off
- Dividends paid of \$0.64 which was a 6.67% increase over 2018

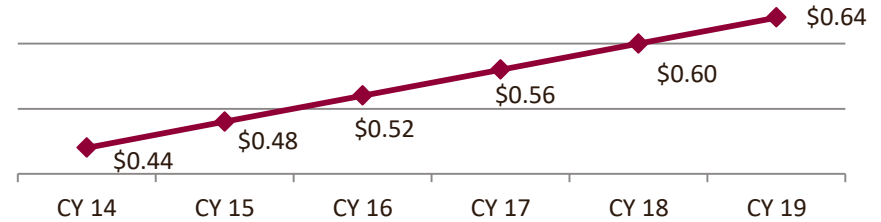
## Earnings Per Share (EPS)



## Quarterly Closing Price: 12/31/18 – 12/31/19



## Dividends Paid on Common Stock





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